IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA : DATE FILED:

v. : CRIMINAL NUMBER

PATRICK SCHMIEDERER : VIOLATIONS: 42 U.S.C. § 1320a-

7b(b)(2)(B)(Kickbacks for refer rals in Medicare) - 1 Count

18 U.S.C. § 2 (Aiding and abetting)

INFORMATION

Count One

THE UNITED STATES ATTORNEY CHARGES:

At all times material to this information:

1. Defendant PATRICK SCHMIEDERER was the national sales manager for Intramedical, a company based in Phoenix, Arizona, which sold durable medical equipment.

THE MEDICARE PROGRAM

- 2. The Department of Health and Human Services ("HHS"), a department of the United States government, was responsible for the administration of the Medicare Program.
- 3. The Medicare Program paid for hospital services, medical services, home health care, durable medical equipment and supplies and other services to aged, blind, and totally disabled people ("beneficiaries") who qualified under the Social Security Act.

 The United States government provided 100% of the funding of the Medicare Program.

THE TRICARE PROGRAM

4. The Department of Defense ("DOD"), a department of the United States government, was responsible for the administration of the Tricare program.

5. The Tricare program paid for hospital services, medical services, home health care, durable medical equipment and supplies and other services to civilian dependants of military personnel and retired members of the military who qualified for participation in the program. The United States government provided the majority of the funding of the Tricare Program.

MEDICARE AND TRICARE RULES

- 6. By law and regulation, providers who billed Medicare and Tricare for goods and services were not permitted to pay kickbacks or fees to individuals or companies in exchange for the referral of business.
- 7. On or about June 19, 2000, in the Eastern District of Pennsylvania, defendant

PATRICK SCHMIEDERER

did aid and abet the knowing and willful offer to pay and the payment of remuneration (including kickbacks and bribes) directly and indirectly, overtly and covertly, in cash and in kind to a person known to the United States Attorney to induce that person to purchase, lease, order, and to arrange for and recommend the purchasing, leasing, and ordering from Intramedical and other companies with which the defendant was associated of goods, services and items for which payment was made in whole and in part under Medicare and Tricare.

In violation of Title 42, United States Code, Section 1320a-7b(b)(2)(B)._____

PATRICK L. MEEHAN United States Attorney